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ABSTRACT

This report discusses the nature of homelessness and the homeless in America, recent programs that have been implemented to help the homeless, and issues concerning the Federal government's role in helping these people. The following topics concerning the characteristics of the homeless and the causes of homelessness are covered: (1) "Mental Illness, Substance Abuse, and Health Problems"; (2) "Economic Circumstances"; (3) "Family Crisis"; and (4) "Interaction of Contributing Factors." The following topics of debate surrounding the Federal responsibility for the homeless are discussed: (1) "Federal Housing Policy"; (2) "Emergency Shelters"; (3) "Welfare Hotels"; (4) "Deinstitutionalization"; (5) "Health, Social, and Welfare Services"; and (6) "Overall Responsibility." Past legislation by the 100th Congress, the Stewart B. McKinney Act programs in particular, is discussed. Also covered are the issues that the 101st Congress is facing now in addressing the questions of whether to provide additional funding for programs benefiting the homeless and at what levels. Two tables of proposed and actual funding for the major McKinney Act programs are included. Descriptions of the following legislation designed to provide emergency and other funds for housing and other services for the homeless are included: (1) H.J. Res. 31 (Vento); (2) H.R. 140 (Vento); (3) H.R. 363 (Schumer); (4) H.R. 410 (Weiss); (5) S. 217 (Moynihan); and (6) S. 226 (Moynihan). A list of seven references is included. (JS)

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CRS Issue Brief

Homelessness: Issues and Legislation in the 101st Congress

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Updated March 17, 1989

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Homelessness: Issues and Legislation in the 101st Congress

SUMMARY

Homeless individuals have become more visible in recent years, and their growing presence is heightening public awareness of the problem. Media coverage steadily continues, aided in part by television dramatizations of the condition of those without shelter. Observers initially characterized the homeless as typically males who were substance abusers and as the "deinstitutionalized" mentally ill; however, this view is changing. Researchers note among homeless individuals those who suffer from chronic unemployment and other economic problems, those who experience family crises, and those displaced by changes in the housing market. Homelessness now is defined as a national problem affecting broad segments of society, including families with children and the "working poor."

The actual incidence of homelessness remains unknown. By the very nature of their situation, the homeless elude enumeration. Estimates range from a quarter of a million to 3 million people. Charitable, religious, and local community groups traditionally operate the missions, shelters, and soup kitchens that serve the homeless. These groups and local governments consistently have reported increases in the need for emergency food and shelter over the past few years and acknowledge that they have had to turn away homeless people because the groups' resources are insufficient to meet the growing demand.

When the 100th Congress began, legislative efforts to expand assistance to the homeless were among the first items on the agenda. The result was comprehensive legislation, the Stewart B. McKinney Homeless Assistance Act of 1987. The McKinney Act authorized a wide range of programs and benefits for the homeless, including health care, emergency food and shelter, mental health services, transitional housing, education, and job training. Programs for homeless veterans and homeless families who receive Aid to Families with Dependent Children (AFDC) benefits were added to the McKinney Act when it was reauthorized for FY89 and FY90. Congress also reauthorized the Runaway and Homeless Youth Program.

As the 101st Congress turns to the issue of homelessness, one of the major questions will be that of funding. Advocates for the homeless point out that the appropriations have fallen short of the authorized levels -- levels the proponents consider to be minimally adequate for the success of the programs. Legislation for an emergency supplemental FY89 appropriation for McKinney Act programs has been introduced. President George Bush has expressed his wish to fully fund the McKinney Act programs. However, concerns over the budget deficit will challenge such an increase in appropriations.

Other points of controversy are arising as Congress oversees the McKinney Act and related programs. Formal and informal charges that the Administration has not carried out all of the provisions of the McKinney Act are being debated. The 101st Congress is considering amending certain McKinney provisions to ensure more expeditious implementation of these programs.

Legislation addressing the problems of AFDC recipients who become homeless has also been introduced in the 101st Congress.

ISSUE DEFINITION

Homelessness, once thought to be a temporary crisis, has proven to be an enduring problem. Heightened public concern and increased attention on the homeless have revealed that homeless people are both heterogeneous in their backgrounds and diverse in their life courses. How active a role the Federal Government plays in alleviating this problem is at the crux of the debate. The 100th Congress responded to the problem of homelessness in America with a comprehensive set of services that deal with the acute and varied circumstances that the homeless face. The Stewart McKinney Act (P.L. 100-77 and P.L. 100-628) authorized a wide range of programs and benefits for the homeless, including health care, emergency food and shelter, mental health services, transitional housing, education and job training. The 101st Congress is faced with the oversight of these programs, whether to fund these programs and at what level to fund them. Legislation aimed at reducing "welfare hotels" has been introduced as well.

BACKGROUND AND ANALYSIS

Overview of the Problem

Homelessness is not a new phenomenon. Earlier manifestations were seen in such places as "poor farms," "children's homes," and "skid rows." Studies from the late 19th century estimated that one-quarter of one percent of all adult males were "tramps," i.e., homeless indigents. A congressional investigation of the Great Depression estimated that 5 million persons were migrating from State to State in search of housing and work in the year 1937 alone. Though not new, the homelessness that has emerged in the 1980s is distinct from previous periods because of its complex roots and perceived pervasiveness.

In many ways, homelessness in the 1980s is a paradox of prosperity. News coverage of the homeless has evolved from individuals in soup lines during the recession of 1982 to families in shelters displaced by the rising costs of housing in 1988. The image that homeless people were isolated in the core of decaying cities has given way to the view that homeless individuals exist in the midst of urban renaissance and small-town bustle. Recent reports indicate that a noteworthy portion of individuals living in shelters are working, yet not earning a sufficient amount to pay for housing. Rather than decreasing over the course of this decade, homelessness appears to be rising in the face of what many consider a prosperous economy.

The actual incidence of homelessness remains unknown. By the very nature of their situation, the homeless elude enumeration. Estimates range from one-quarter of a million to 3 million people. Several years ago, the conflicting counts of homeless and the varying methodologies sparked a lively debate; however, no consensus was reached. The current focus has shifted from absolute numbers of homeless to relative changes in homelessness, e.g., percentage changes in homeless families or percentage changes in homeless substance abusers. Charitable and religious groups as well as local governments consistently have reported increases in the need for emergency food

and shelter. In the absence of systematic data, most observers maintain that homelessness is increasing, particularly among families and "working poor."

Research on the Roots of Homelessness

A substantial body of research is emerging on the characteristics of the homeless and the causes of homelessness. Most studies focus on a single community or area. Though the local area research projects make it difficult to draw generalizations that are national in scope, they do provide levels of detail that build into a useful collective knowledge. The discussion that follows is organized according to major dimensions of the homeless problem. (See **For Additional Reading** section for complete references.)

Mental Illness, Substance Abuse, and Health Problems

Most of the recent studies estimate that 20% to 40% of the homeless population are chronically mentally ill. These estimates are lower than earlier research, such as a case study of people living in a Boston emergency shelter that diagnosed an estimated 90% as mentally ill. Findings from the health services for the homeless projects funded by the Robert Wood Johnson and Pew Memorial Trust foundations (Johnson-Pew) indicate that about one-third of their patients in 19 major U.S. cities are chronically mentally ill. A statewide study of the homeless in Ohio estimated that 31% of the homeless needed some kind of mental health service, but only a portion of that 31% were severely mentally ill.

Research suggests that substance abuse is common, but not pervasive among the homeless. The Johnson-Pew projects estimate that approximately 40% of the homeless participating in their demonstrations are alcohol abusers. Those studies that try to assess possible causes of homelessness indicate that substance abuse may not be necessarily a leading cause. In part, this view is due to the substantial overlap between chronic mental illness and substance abuse, as many homeless individuals who are mentally ill are also substance abusers. In addition, the research that reveals alcohol and drug abuse problems among the homeless population has not determined whether the substance abuse began before or after the homelessness. Such circumstances lead some observers to suggest that substance abuse, in some cases, may result as a coping response, albeit a self-destructive one, to the trauma of being homeless.

The research regarding the health status of the homeless also yields interesting findings. The statewide study in Ohio, based upon the surveys of homeless individuals found that just under one-third reported having physical health problems. Likewise, a Los Angeles survey of homeless individuals reported that 34% claimed to be in fair or poor health. A study of homeless in Chicago indicated that, while only 11% of the homeless sampled reported that they were in poor health, follow-up questions revealed that one-fourth to one-third have serious chronic conditions. Of the research that probes whether physical health problems may contribute to some individuals becoming homeless, the findings estimated that from 16% to 28% of the homeless had a debilitating condition that kept them from working.

On the other hand, findings from the 19 Johnson-Pew projects indicate that health problems are commonplace among the homeless in the cities that have demonstration programs. The Johnson-Pew projects point out that relatively minor ailments that would cause most people to rest in bed for a day pose serious problems for those who are homeless. It appears that certain disorders, such as respiratory and circulatory problems and persistent body sores, are endemic to those who live on the streets. Among the homeless alcohol abusers, liver problems and other alcohol-related health problems are apparent, as one might expect.

Economic Circumstances

The statewide study of homelessness in Ohio indicated that unemployment was the leading reason for their situation, as reported by the homeless people surveyed. When other economic reasons, such as inadequate money to pay rent, are included, over half of the sample of 979 homeless people credit economic factors as the major reason for their homelessness. A total of 87% of those sampled in Ohio reported that they had held a job at some point in their life. Similarly, the human service providers in Ohio who also participated in the study indicated that unemployment was the leading cause of homelessness in their community. The Ohio study has been reinforced by subsequent research in other States and cities across America, including the 26 cities surveyed annually by the United States Conference of Mayors.

A longitudinal study of homeless in Minneapolis profiled the typical homeless person as having below average education, low prior income, and few job skills. Research conducted on homeless in Chicago noted that most had not held a steady job for several years and that the jobs they had held had been low paying, semi-skilled or unskilled occupations. The Chicago study also reported gender differences in the work histories of the homeless, with homeless men much more likely to have worked recently.

Nonetheless, some research has revealed that a portion of the homeless are working, or conversely, that a portion of the working poor are homeless. The Minneapolis study of 339 homeless people stated that 36% reported having worked in the last month, though only 4% reported working full-time. The Chicago study found that 43% of the "shelter sample" as well as 35% of the "street dwelling sample" had worked in the past month. The most recent U.S. Conference of Mayors report on homelessness stated that an average of 22% of the homeless people are employed at least part-time.

In contrast to those homeless who are working, there are reports of homeless individuals who have no income at all, not even public cash assistance. The Ohio study revealed that 37% of those sampled had no source of income. In Chicago, the estimate was much lower -- 17% without any income.

One source of income for homeless individuals is some form of public assistance. The type and amount of assistance varies from place to place, due in part to State and local differences in the availability and generosity of the benefits. The Ohio study reported that 37% of the sample received welfare or social security benefits. Researchers conducting the Chicago project pooled all the income reported by their sample of homeless and reported portions of total income by source. Welfare accounted for 30% of the total income, followed closely by economic activity with

29%. General assistance represented the largest share of the welfare benefits of homeless in Chicago. The Minneapolis study reported notably greater rates of welfare utilization among the homeless, with 90% having ever used some type of welfare and over half receiving general assistance and food stamps.

Family Crisis

Research on the family life of the homeless offers insights. Foremost, most homeless people are single. The Ohio study indicated that 39% of their sample was separated or divorced and 45% had never been married. The Chicago study reported that 57% of the homeless people sampled had never been married, in contrast to the 35% of the general population of Chicago that had never been married. Nonetheless, more than half (54%) of those homeless people surveyed in Chicago reported that they have had children -- 39% reporting two or more children. The Chicago study also revealed a gender difference, with almost four in five homeless females reporting that they have had at least one child.

Stress within the family often is a major reason for homelessness. The Ohio study disclosed that 21% of the homeless in their sample reported family conflict and dissolution as the major reason for their homelessness, second only to economic factors. An acute form of family stress, domestic violence, was listed as a major cause of homelessness by 8 cities of the 26 participating in the U.S. Conference of Mayors survey.

Almost two-thirds of the homeless interviewed in Ohio stated that they did not have relatives that they could count on for help. A majority of the homeless participating in the Chicago study expressed the belief that their families would not let them move in with them, and most said they would not want to live with their families, even if their families wanted them. The Chicago research suggested a gender difference as women younger than 40 years of age expressed a strong rejection of the idea of moving back with their families; however, the men less than 40 years old were more receptive to the idea, hinting that their families had rejected them.

One subset of the homeless population whose situation has roots in family stress is known as the runaway or "throwaway" youth. While little systematic research is available, statistics from the Runaway and Homeless Youth Program (RHYP) shed some light. Of the 47,369 runaway and homeless youth that the RHYP served over a 21-month period, 89% reported that they had run away from home. Most had been living at home with at least one natural parent prior to running away, and the majority were female and white. An overwhelming majority reported some kind of parental conflict, ranging from neglect to physical abuse, as the reason for their flight. Most of these children indicated that they had some type of special problem, such as substance abuse, depression, or troubles in school, that contributed to their situation. The U.S. Conference of Mayors estimates that unaccompanied youth comprise 4% of the homeless population.

Research that the University of Southern California conducted on homeless families in Los Angeles shelters indicated that most are headed by females. Of the 87 women in the Los Angeles study, 40% reported that they were homeless are a result of eviction, and 25% reported that they became homeless after separation from a male partner. The research revealed that, in addition to their common poverty, the

pervasive characteristic among these homeless families was that they had no other relatives to turn to for help. This finding is consistent with the Chicago study which concluded that one of the most common traits of the homeless was the absence of primary ties with family and friends. It is not clear whether this lack of kinship is a contributing factor to homelessness, or whether homelessness itself makes it virtually impossible to maintain relationships with family and friends.

While the preponderance of research to date maintains that the overwhelming majority of homeless are alone, estimates of the proportion of homeless who are families ranges from one-tenth to over one-half of all homeless people. Differences in the definition of terms may have led to variations in the estimates of the percentage of the homeless who are families because most research projects have focused on people who live in the streets or in shelters. Homeless families appear more likely to move from relative to relative when they have lost their housing, sometimes ending up in "welfare hotels." Most definitions of homeless do not include those people who live with friends or relatives after losing their home.

There is a popular impression, supported by reports from agencies and programs serving the homeless, that the percentage of homeless families with children is increasing. Given the absence of absolute numbers on homelessness, such a trend is difficult to gauge. The U.S. Conference of Mayors stated that 96% of the 26 cities in their survey reported an increase in homeless families with children, with an average annual increase of 32%. The U.S. Conference of Mayors now estimates that one-third of all homeless are families with children.

Interaction of Contributing Factors

The research on homelessness makes it clear that problems such as mental illness, substance abuse, unemployment, and familial estrangement do not necessarily occur in isolation. Typically, the homeless individual suffers from multiple problems. Loss of employment may provoke family conflicts in addition to financial crisis, or substance abuse may impede one from working as well as estrange one from family members.

Some research suggests that homeless people in non-urban areas appear to be different than those in urban areas. According to the Ohio study, they tend to be younger and female. They are also more likely to be white and to report family crisis as the reason for their homelessness. The non-urban respondents in Ohio were also more apt to have worked during the past month, but were also more likely to have reported that they quit their last job. Nonetheless, almost two-thirds of the non-urban Ohioans reported they were looking for a new job in contrast to less than half of the urban homeless. Other research suggests that the portion of homeless who are chronically mentally ill is greater in urban areas.

It also appears that those who may be described as long-term homeless differ from those who are homeless for a short period of time. The Minneapolis study emphasizes such a finding. That project asserts that there are those who are temporarily homeless and those for whom homelessness is a way of life. The Minneapolis research describes the long-term homeless (i.e., those who are homeless for more than 2 years) as those who are alcoholics, those with prison records, and those who are mentally ill. The Minneapolis data also suggest that the long-term

homeless are less likely to have ever been married, more likely to be white, more apt to be less educated, and more frequently have less work experience.

Debate Surrounding the Federal Role

The Federal responsibility for the homeless is a matter of considerable debate. Some state that the problem of homelessness is best addressed at the local level through religious and charitable groups working with local government and fear that the Federal Government is creating a shelter industry. Others maintain that the problem of homelessness is so extensive across the nation that a comprehensive set of federally assisted programs and benefits is essential.

Federal Housing Programs

Advocates for the homeless as well as some researchers and housing experts argue that the lack of affordable housing is the chief cause of homelessness in America. Some housing experts present national statistics on Federal expenditures for low-income housing over the past decade and maintain that the retreating Federal commitment to low income housing precipitated a jump in homelessness. Many observers agree that much of the public housing that has been built over the past 50 years is obsolete or deteriorating. Lack of available public housing as well as inflated housing costs brought on by redevelopment and gentrification are at the crux of the problem according to some housing experts. There are those who argue for a national housing policy and a resurgence of Federal spending for the construction and renovation of public housing and for a larger housing voucher program. Some express the belief that a remedy to the shortage of low and moderate income housing is the only systemic solution to homelessness.

Critics of an expansion of Federal housing maintain that such spending is a luxury in these times of Federal deficits and budget constraints. Some express the view that incentives to the private sector are a better way to stimulate housing growth. They also state that changes in the Federal Government's housing programs did not cause homelessness. Some further assert that it is local government policies, especially rent control, that has reduced the number of low and moderate housing units. Many express the view that conventional housing is available to most homeless people, but they are unable to manage because of substance abuse, mental illness, incompetence, or other personal failings.

Emergency Shelters

Few people state that they like shelters or maintain that they provide a permanent solution to homelessness. Yet, when homelessness originally was thought to be a temporary crisis, most agreed shelters were a reasonable answer. Advocates for the homeless successfully have argued that the Federal Government should supplement the work of charitable groups and local governments in operating emergency food and shelter programs. Shelter providers and other proponents state that they cannot meet the growing need for emergency help without further Federal assistance. Emergency shelters, from many homeless advocates' perspective, provide only the bare minimum for the homeless.

Some now fear that what they call a "shelter industry" has emerged, created in large part by Federal money. Such an argument states that shelters are transforming from temporary facilities to self-perpetuating institutions. A few argue that the growth of these shelters has attracted people to homelessness, making nomadic street life and panhandling a now viable alternative for those who choose not to be productive members of society.

A question of the separation of church and state has arisen regarding shelters. The controversy revolves around the use of Federal money to renovate or convert church-owned space for use as shelter for the homeless. Regulations that the Department of Housing and Urban Development (HUD) promulgated last year in an effort to enable the renovation of church space by the establishment of nonprofit corporations that would lease and convert the space received criticisms from several perspectives. Some thought it did not adequately resolve the constitutional issue of Federal money being used by churches. Others thought it created a complicated bureaucracy that effectively impeded many churches that serve the homeless from applying for HUD money. (See CRS Report 87-444 A, Constitutional Analysis of Proposed Regulations Issued by the Department of Housing and Urban Development Regarding the Participation of Religious Organizations in the "Emergency Shelter Grants Program," by David Ackerman, Apr. 28, 1987.)

"Welfare Hotels"

The use of Emergency Assistance (EA) and Aid to Families with Dependent Children (AFDC) monies to house families in commercial, transient accommodations, commonly referred to as "welfare hotels," is an especially controversial practice. Reports that the costs of housing families in hotels far exceed the normal housing allowance for welfare recipients fuel the debate. The plight of people residing in these quarters has attracted prime media attention, and it is fair to say that few consider the circumstances desirable.

At one end of the spectrum are those who would forbid the use of these funds for such purposes. They cite estimates of over $1,000 a month to house a family of three in a New York City "welfare hotel" when the typical housing allowance is under $300 a month. They point out that many families languish in these hotels for extended periods of time. These critics maintain that the practice is inappropriate, wasteful, and deleterious.

At the other end of the spectrum are those who view the practice as problematic, but essential given the currently available range of programs and services. They point out that AFDC housing allowances often are insufficient, even for low-income housing. Emergency shelter providers also report that they cannot meet the demand for space. Displaced or evicted families have few options, and "welfare hotels" are a last resort.

In December 1987, the Department of Health and Human Services (DHHS) proposed new regulations restricting the use of EA and AFDC in such instances. Congress has prohibited DHHS from implementing these regulations. (See CRS Report 88-394 EPW, Cash Welfare Funds and Homeless Families with Children, by Carmen D. Solomon, May 23, 1988.)

"Deinstitutionalization"

Earlier in this decade, "deinstitutionalization" (in this instance, a shift in mental health service delivery from large State institutions to community mental health programs and outpatient clinics) was credited as the leading cause of homelessness in America. This conclusion was based, in part, upon national statistics documenting a dramatic decline in the number of patients in mental hospitals followed by a notable increase of "street people." Since the move toward "deinstitutionalization" was initiated over 25 years ago and most surveys report only modest percentages of homeless people are former residents of mental hospitals, many observers now maintain that the policy's effect on homelessness was exaggerated. Currently, observers are labeling "noninstitutionalization" (in this instance, the failure to treat people who need a hospital environment) as a critical problem.

Meanwhile, some communities are enacting laws that allow local authorities to institutionalize the chronically mentally ill homeless without their permission. Nowhere was this controversy more apparent than the case of Joyce Brown, who sued New York City over her involuntary commitment to a mental hospital. Although the hospital ultimately released Joyce Brown, the higher court upheld the New York City law allowing involuntary confinement in such cases. The debate extends beyond the mentally ill homeless to include ordinances that detain any homeless person who refuses to accept shelter from the elements. These questions of the civil liberties and human rights of the homeless are emerging as potent issues. (See CRS Report 88-186 A, Homelessness and Commitment: The Case of Joyce Brown (a/k/a/ Billie Boggs), by Kirk D. Nemer, Feb. 29, 1988.)

Health, Social, and Welfare Services

It is clear that most homeless people would benefit from a range of health, social, and welfare services. The McKinney Act embraced a comprehensive set of programs and benefits: emergency food and shelter, primary health services, mental health services, transitional and supportive housing, community services, education and job training. At issue are the scope and the mode for delivering these services.

Some maintain that many of the McKinney programs are not actually necessary because they duplicate existing programs. Community primary health and mental health centers are available to low income people, including the homeless. When Congress removed requirements that recipients have permanent addresses to obtain certain benefits, it lifted the major legal barrier to providing services to the homeless. These observers argue that special public welfare programs for the homeless confound the provision of services at the local level and are potentially wasteful. Instead, they state that local service providers need to engage in more outreach to the homeless, aiding them with existing programs for people in need.

One widely-held perspective maintains that funds for the homeless should be distributed as a block grant so that discretionary choices are left to State and local policy makers. Supporters of the block grant approach point out that the nature and scope of homelessness vary across the country from community to community, and thus, the needs in one community differ from those in another. They state that priorities for the delivery of these services should be made at the State and local level.

Others express the view that the homeless have special needs that are best handled by targeted services. They argue that if the current system of public welfare was addressing those needs, the problems of the homeless would not be so pervasive. While few assert that the Federal Government should establish a separate system of services for the homeless, many state that special programs geared for the acute needs of the homeless should be operated within the public welfare system. Advocates assert that if money is not earmarked at the Federal level for these specific programs, the homeless will lose to other competing demands for limited resources.

Overall Responsibility

Traditionally, private charities, religious groups, and nonprofits provide for the homeless, and some critics of governmental intervention state that policy makers should let local community groups continue to have primary responsibility. Others insist that a public role is necessary, but that it should be limited to city and county governments and should focus on such matters as loosening local housing codes and prohibiting rent control.

A proactive approach to homelessness expresses the view that the problem is prevalent across America and beyond the capacity of State and local responses. This interventionist perspective maintains that the Federal Government should assume responsibility for alleviating the problems that contribute to homelessness because the causes of homeless are best addressed nationally. This approach looks to systemic remedies, such as Federal housing, employment, and mental health policies, for solutions.

The current responsibility for the homeless is dispersed among all levels of government. Some States took the initiative in dealing comprehensively with homelessness several years ago. The Federal programs generally require local and State-level planning and integration. Of major programs designed primarily for the homeless, the largest single Federal appropriation is coordinated, dispersed and monitored by a national board of local charities and religious organizations, though it is administered by the Federal Emergency Management Agency (FEMA). In many areas of the country, it appears that private and public monies raised locally still comprise large portions of the funding for the homeless.

Previous Legislation

Past Congresses responded with legislation that may be described as "emergency" in nature, largely because homelessness initially was seen as a temporary crisis. The major programs that resulted were the Emergency Food and Shelter Program (P.L. 98-8) funded through the Federal Emergency Management Agency (FEMA) and the Temporary Emergency Food Assistance Program (TEFAP) administered by the Department of Agriculture (P.L. 98-92). Laws also were modified to make it easier for homeless individuals to benefit from existing Federal programs, e.g., making Medicaid, AFDC, and Supplemental Security Income (SSI) available to otherwise

qualified persons who lacked a home or a fixed mailing address (P.L. 99-198 and P.L. 99-570).

When the 100th Congress began, legislative efforts to expand assistance to the homeless were among the first items on the agenda. With several committees working simultaneously on various programs for the homeless, both chambers of Congress produced comprehensive legislation. The result was the Stewart B. McKinney Homeless Assistance Act of 1987 (P.L. 100-77). The McKinney Act authorized a wide range of programs and benefits for the homeless, including health care, emergency food and shelter, mental health services, transitional housing, education, and job training. The 100th Congress reauthorized the McKinney Act for FY89 and FY90 (P.L. 100-628). During the House floor debate, an amendment that would have converted the HUD programs, i.e., the emergency shelter grants, the supportive housing demonstration program, and the supplemental assistance program for the homelessness, into a block grant was narrowly defeated by a vote of 203 to 215. Programs for homeless veterans and homeless families who receive Aid to Families with Dependent Children (AFDC) benefits were added to the McKinney Act. Congress also reauthorized the Runaway and Homeless Youth Program as part of the Omnibus Drug Initiative, which was signed into law as P.L. 100-690.

The McKinney Act authorized $633.8 million in FY89 and $675.8 million in FY90 for programs benefiting the homeless. Thus far for FY89, Congress has appropriated $387.4 million for McKinney Act programs. This total includes $23.7 million for homeless veterans in the Veterans Affairs medical care budget in addition to other McKinney Act program amounts specified in appropriations laws P.L. 100-436 and P.L. 100-404.

Issues in the 101st Congress

The 101st Congress is addressing the questions of whether to provide additional FY89 funding for programs benefiting the homeless and what levels to fund these programs for FY90. The McKinney Act programs are authorized through FY90 and, in some cases, through FY91. Advocates for the homeless have observed that funding for McKinney Act programs has fallen short of authorized levels--levels that these proponents consider minimally adequate for the success of these programs. Well over 100 members of the House have cosponsored legislation that, if enacted, would make an emergency supplemental FY89 appropriation for homeless assistance. The bill, H.J.Res.31, is intended to fully fund, i.e., up to authorizations levels, certain McKinney Act programs, as detailed in the table that follows.

TABLE 1: FY89 Funding for Major McKinney Act Programs
(dollars in millions)

Department or Agency	Authorization	Appropriation	H.J.Res.31
Federal Emergency Management Agency:			
Emergency Food and Shelter	$129.0	$114.0	$15.0
Housing and Urban Development:			
Emergency Shelter Grants	120.0	46.5	73.5
Supportive (Transitional)	100.0	80.0	20.0
Supplemental Assistance	10.0	0.0	10.0
Section 8 (SRO)	50.0	45.0	5.0
Health and Human Services:			
Health Services for Homeless	61.2	14.8	46.4
Community Services for Homeless	42.0	18.9	23.1
Community Mental Health	35.0	14.1	20.9
Mental Health Demonstrations	11.0	4.6	6.4
Alcohol/Drug Demonstrations	14.0	4.5	9.5
Education:			
Adult Literacy	10.0	7.1	
Youth and Children	5.0	4.8	
Labor:			
Job Training (includes Veterans' Reintegration)	13.0	9.4	
Veterans Administration:			
Mentally Ill Veterans	15.0	13.3	30.0a/
Veterans' Domiciliary Care	15.0	10.4	

See CRS Report For Congress 89-20 EPW, Programs Benefiting the Homeless: FY87-FY89 Appropriations Trends, for a more complete accounting of these funding levels.

a: This $30 million includes both VA programs authorized by Section 801 of the McKinney Act.

Several other McKinney Act programs that are not major service programs, such as the InterAgency Council on the Homeless or the Education Department's explemlary grants program are not listed in these tables. There are a few non-McKinney Act programs that are primarily targeted to help the homeless, such as the Runaway and Homeless Youth Program and the Community Support Program (both in the Department of Health and Human Services), for which specific funding figures are not consistently available. Also, the domestic food assistance programs include many homeless among their recipients, but detailed data on homeless benefiting from these hunger programs are not available.

Supporters for full funding of the McKinney Act programs gained an important ally recently. President George Bush, in keeping with a campaign promise, has included increased funding for programs aimed at helping the homeless in his revision of the FY90 budget proposals prepared by the Reagan Administration. The materials accompanying President Bush's proposed revision to the initial FY90 budget prepared by the Office of Management and Budget (OMB) did not specify the funding levels in detail, but stated clearly that Bush was seeking funding for McKinney Act programs up to their full authorization levels--totaling $676 million. Bush also proposes an additional $50 million initiative to reduce homelessness based upon private-public partnerships, but has not yet introduced legislation that would establish such a program. The President's revisions to the FY90 budget proposal maintained that the total level of funding he is requesting for programs aimed specifically at helping the homeless is $1.0 billion, but no supporting material has been made available that itemizes programs beyond the McKinney Act.

TABLE 2: FY90 Proposals for Major McKinney Act Programs
(dollars in millions)

Department or Agency	Authorization	Reagan	Bush a/
Federal Emergency Management Agency:			
Emergency Food and Shelter	$134.0	$114.0	$134.0
Housing and Urban Development:			
Emergency Shelter Grants	125.0	0.0	125.0
Supportive (Transitional)	105.0	71.0	105.0
Supplemental Assistance	11.0	0.0	11.0
Section 8 (SRO)	50.0	74.0	50.0
Health and Human Services:			
Health Services for Homeless	63.6	14.8	63.6
Community Services for Homeless	42.0	0.0	42.0
Community Mental Health	35.0	14.1	35.0
Mental Health Demonstrations	11.5	0.0	11.5
Alcohol/Drug Demonstrations	17.0	0.0	17.0
Homeless ADFC Families Demonstration	20.0	0.0	20.0
Education:			
Adult Literacy	10.0	7.0	10.0
Youth and Children	5.0	5.0	5.0
Labor:			
Job Training (includes Veterans' Reintegration)	13.0	9.0	13.0
Veterans Administration:			
Mentally Ill Veterans	15.0	13.3	15.0
Veterans' Domiciliary Care	15.0	10.5	15.0

a: This detail assumes full funding of the McKinney Act programs.

For FY90, the McKinney Act has authorized a new demonstration grant program that is intended to reduce the number of AFDC recipients who live in "welfare hotels." The 101st Congress is addressing the "welfare hotel" problem further by offering amendments to the emergency assistance provisions of the AFDC program. These bills include proposals for demonstration projects to use emergency assistance to rehabilitate housing for AFDC recipients and make grants to States to provide permanent housing for homeless families who would otherwise require emergency assistance.

Controversies are arising as Congress oversees the McKinney Act and related programs. Formal and informal charges that the InterAgency Council on the Homeless and HUD have not carried out all of the provisions of the McKinney Act are being debated in Congressional hearings, investigated by the U.S. General Accounting Office, and reviewed by Federal courts. The 101st Congress may consider amending certain McKinney provisions to ensure more expeditious implementation of these programs.

More sweeping proposals aimed at providing permanent housing for the homeless, and in one instance, a comprehensive housing program, have also been introduced in the House. (For more information on housing issues, see: CRS Issue Brief 89004, Housing and Community Development, by Morton J. Schussheim; CRS Issue Brief 88106, Housing Policy: Low- and Moderate-Income Assistance, by Grace Milgram; and, Homeless Housing: HUD's Shelter Programs, by Susan Vanhorenbeck.)

LEGISLATION

H.J. Res. 31 (Vento)

Making emergency supplemental appropriations for the fiscal year ending Sept. 30, 1989, for urgently needed assistance for the homeless as authorized in the Stewart B. McKinney Homeless Assistance Act. Includes for HUD: $5 million for SROs, $73.5 million for emergency shelter grants, $20 million for supportive housing, and $10 million for supplemental assistance; for independent agencies: $15 million for FEMA's emergency food and shelter and $30 million for the VA's medical care programs for homeless veterans; for DHHS: $46.4 million for health care for the homeless, $20.9 million for community mental health services for the Homeless, $6.4 million for mental health demonstration projects, $9.5 for alcohol and drug abuse demonstration projects, and $23.1 million for emergency community services homeless grant program. Introduced Jan 3, 1989; referred to Committee on Appropriations.

H.R. 140 (Vento)

Permanent Housing for Homeless Americans Act of 1989. To alleviate homelessness by expanding and preserving the supply of permanent, affordable and decent housing. Authorizes: additional Section 8 assistance for the homeless; assistance for modernization of vacant public housing; grants for rehabilitation of rental housing; funding for rehabilitation of State and local government in rem properties; and requires an annual report by the Secretary of HUD. Introduced Jan. 3, 1989; referred to Committee on Banking, Finance and Urban Affairs.

H.R. 363 (Schumer)

To amend Part A of Title IV of the Social Security Act to establish a demonstration program to test whether the net costs incurred in making emergency assistance payments to homeless AFDC families for temporary housing can be effectively reduced through construction or rehabilitation (with Federal assistance) of permanent housing that such families can afford with their regular AFDC payments. Authorizes $15 million for each year for 5 fiscal years for grants to States meeting certain conditions and assurances for establishing a demonstration program. Introduced Jan. 3, 1989; referred jointed to Committees on Ways and Means and Banking, Finance and Urban Affairs.

H.R. 410 (Weiss)

Emergency Aid to Homeless Families Act. To amend Part A of Title IV of the Social Security Act to permit States, with Federal matching under the program of emergency assistance to needy families with children, to purchase, construct, renovate, or rent facilities to provide emergency shelter for such families. Amends eligible expenditures of emergency assistance funds to include above mentioned activities. Introduced Jan. 3, 1989; referred to Committee on Ways and Means.

S. 217 (Moynihan)

Permanent Housing for Homeless Families Act. To amend Part A of Title IV of the Social Security Act to reduce the need for emergency assistance payments to provide temporary housing for destitute families eligible for AFDC, and the expense of such payments, by authorizing grants to States for the construction or rehabilitation of permanent housing that such families can afford with their regular AFDC payments. Authorizes matching grants to States that meet certain terms and provide specific assurances, including that the average cost to the Federal Government per unit constructed or rehabilitated shall not be greater than the standard yearly payment of emergency assistance that would be required to provide housing for a family in a shelter, hotel, motel, or other temporary quarters. Introduced Jan. 25, 1989; referred to Committee on Finance.

S. 226 (Moynihan)

Community Mental Health Services and Homelessness Prevention Act of 1989. Amends Title XVI (Supplemental Security Income) and Title XIX (Medicaid) of the Social Security Act to expand coverage of chronically mentally ill homeless. In the case of Supplemental Security Income (SSI), it would extend eligibility period for an institutionalized person who may return home within a 6 month period or is at imminent risk of being homeless upon release; in the case of Medicaid, it would provide mandatory coverage of home and community-based services, as detailed in the bill. Introduced Jan. 25, 1989; referred to Committee on Finance.

FOR ADDITIONAL READING

The following are selected references. For more extensive lists of readings, see CRS Report 88-396 L, Homelessness in the U.S.: Bibliography-in-Brief, 1986-1988, by Edith Sutterlin.

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